COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BUTLER COUNTY WATER)	
SYSTEM, INC. FOR A GENERAL RATE)	CASE NO.
ADJUSTMENT PURSUANT TO THE)	2003-00486
PROVISIONS OF KRS 278.030 AND)	
807 KAR 5:001)	

ORDER

This matter is before the Commission upon a motion for deviation pursuant to 807 KAR 5:001, Section 14, filed by the applicant, Butler County Water System, Inc., on March 25, 2004.

Subsequent to the February 12, 2004 filing of an application for general rate adjustment (KRS 278.030), the applicant was notified by letter dated March 3, 2004 that the application was deficient because it failed to include a capital construction budget pursuant to the requirements of 807 KAR 5:001, Section 10(7)(b).

Upon review and examination by Commission Staff, it is determined that the granting of such a deviation is not unusual for water service utilities with facilities of similar size and customer base. These smaller water facilities do not normally provide for or maintain a capital construction budget, since any construction would occur on a case-by-case project basis and will usually be funded by federal funds, in addition to any available state funds. The Commission finds a good cause exists to grant the deviation.

The Commission, for good cause shown, and otherwise being sufficiently advised, HEREBY ORDERS that the motion for deviation from the requirement of 807 KAR 5:001, Section 10(7)(b) is granted and this case is considered filed as of March 25, 2004, the date the motion for same was filed with the Commission.

Done at Frankfort, Kentucky, this 12th day of April, 2004.

By the Commission

ATTEST:

Executive Director